

## FAR EAST MOTORS

26 Nathan Road, Kowloon

Distributors for

ARMSTRONG

SIDDELEY, TRIUMPH

and

STANDARD CARS

# The Hongkong Telegraph

Library, Supreme Court

Dino

At the

P. G.

For  
Reservations

Tel: 27880

VOL. I NO. 41

FRIDAY, NOVEMBER 15, 1946.

Price 20 Cents

## U.S. OPPOSES ANNEXATION OF SOUTH-WEST AFRICA

### UNO EXPECTED TO REJECT SMUTS' PROPOSAL

### LEAD MAY BE FOLLOWED BY MOST OF SOUTH AMERICAN NATIONS

NEW YORK, Nov. 14. THE UNITED STATES TO-DAY ANNOUNCED ITS REFUSAL TO SUPPORT FIELD MARSHAL JAN SMUTS' PROPOSAL THAT SOUTH AFRICA BE ALLOWED TO ANNEX THE FORMER GERMAN MANDATE OF SOUTH-WEST AFRICA.

The American lead is expected to be followed by most of the Latin-American nations, making it certain the Assembly will reject the South African proposal overwhelmingly despite the British support. Many observers believe that Field Marshal Smuts' next step will be refusal to turn in the League of Nations mandate and refuse to offer South-west Africa for UNO trusteeship, meanwhile continuing to rule the territory as an integral part of the Union of South Africa.

There is nothing UNO could do to force South Africa to hand over the mandate any more than it could force the United States to hand over the former Japanese mandate islands also held under the League of Nations to UNO for restricted trusteeships.

At the start of to-day's meeting of the United Nations Trusteeship Committee, the United States delegation circulated a statement associating itself with the view that the data before the United Nations Assembly did not justify approval of incorporation.

Dr Luis Nervo, of Mexico, told the committee that his delegation would vote against the South African proposal. "This proposal takes us back to the 19th century," he said. Dr H. Lanning, of Denmark, said he presumed the sub-committee which would be formed to examine the question further would be expected to call for any information concerning South-west Africa it deemed expedient. He was surprised at the attitude adopted by South Africa in declaring that the only two courses open to her were incorporation or continuation of the present administration without United Nations supervision.

Meanwhile, Senator H. M. Basner, member of the South African Senate, who is here to watch the United Nations proceedings as parliamentary representative of 4,000,000 Africans vitally interested in the question of South-west Africa, told the press to-day: "No resolution on South-west Africa annexation has ever been taken in the South African House of Assembly."

## BIG FOUR DEADLOCK ON TRIESTE STATUS

New York, Nov. 14. The Big Four Foreign Ministers, resuming their debate on the Italian treaty, were apparently deadlocked to-day three to one over M. V. M. Molotov's 14 essential minimum amendments to the proposed statute for the free territory of Trieste to make it acceptable to Russia and Yugo-Slavians.

As the Foreign Ministers resumed their negotiations it was clear that France, Britain and the United States have no intention of leading the 14 points which M. Molotov insists are the minimum obligatory changes. The three Western Powers stand firmly for placing full dictatorial powers in the hands of the Governor who will be named by the Security Council and to be responsible directly to the United Nations.

The three Western Powers want him to have veto rights with extreme authority for proclaiming a state of siege if necessary to protect Trieste's independence, integrity and public order. They refuse M. Molotov's essential minimum condition of government by popular assembly with unrestricted powers.

France also supports the Anglo-American refusal to fix a time limit for the evacuation of their troops from Trieste and leave such withdrawal to the Security Council with the Western Powers having veto rights in the decision.

The Western Powers' stand is dictated by their apparent conviction that there almost certainly will be a clash between Italians and Yugo-Slavs unless there is a strong police force and a strong-armed Governor able to enforce Trieste's true status as a free city. Russia is equally adamant in its refusal to cede on the 14 points so the Big Four fail to agree on the Trieste statute. American and British troops will remain indefinitely and the whole problem will have to go to the Security Council for action.—United Press.

## Albania Demands Withdrawal Of British Warships

London, Nov. 14. Albania followed up its protest to the United Nations yesterday against British naval minesweepers clearing territorial water in the Corfu Straits by a second telegram to Dr Trygve Lie, Secretary-General of the United Nations, demanding "immediate withdrawal of British warships and minesweepers from Albanian ports and territorial waters," the Yugo-Slav News Agency reported to-day.

The first protest asked for the establishment of a United Nations commission to decide the extent of non-territorial waters in the narrow Corfu channel between the Albanian and Greek mainland and the Greek island of Corfu.

The telegram said: "After our protest telegram of November 11, we have the honour of communicating to you the following: Since the morning of November 12, a great number of warships flying the British flag are crossing in our waters in all directions from Butrinto (Albanian town in the narrowest part of the straits) up to Carabouroun. "All ships sailed in war formation inside and outside our territorial waters, aiming at intimidation and provocation."

"To-day, November 13, all through the day a great number of British warships and minesweepers, varying from 11 to 23, entered our territorial waters of St. Gerasima under the pretext of clearing mines."

"British warships fired machine-gun salvos in the air or water to create incidents."

The telegram, signed by the Albanian Premier, added: "In the name of the peace-loving and democratic Albanian people, which for many years fought with unequalled courage against Fascism at the side of the great allies, I address—the United Nations in view of the brutal and one-sided action of the British Government."

"I ask the United Nations to give judgment on this act of the British Government and to give orders for the immediate withdrawal of British warships and minesweepers from our ports and territorial waters to safeguard peace in the largest of the Albanian people defended with all their strength."

London Surprised. Surprise was expressed this morning in official quarters in London that Albania in its protests to the United Nations should object to British minesweeping activities in the Corfu Channel.

Observers in London are puzzled that the danger to British warship arose not from stray mines which had drifted from a field which appears to have been sown deliberately since the channel was last swept. An official spokesman said that it had been expected that Albania would consider the removal of mines from a generally recognised highway of international traffic to be a humanitarian operation. The two-day sweeping carried out by Britain, which is now completed, is understood to have covered the same area, one mile wide, which was previously swept in 1944 and 1945.

It was pointed out to-day that a considerable number of British lives were lost when British destroyers struck mines in this channel last month, and that this cannot be a matter of indifference to the British Government.

Whether Britain will take any diplomatic action in connection with the recent sweeping will, it is understood, depend on the report to be made by the Admiralty after examination of the two mines recovered from the 22 disposed of during the sweep.—Reuter.

## IRA CHIEF WILL NOT BE RELEASED

Belfast, Nov. 14. The Minister of Home Affairs, Mr. Edmond Warnock, said to-day that he would not bow to any outside pressure for the release of David Fleming, now in his 34th day of a fast to death behind the grim ancient walls of Belfast Prison.

At the same time Mr. Warnock flatly refused the request of a deputation Labour MPs that a fresh medical examination be given to the 26-year-old former IRA chief who is serving 15 years for treason. Mr. Warnock's statement concerned Fleming's release followed a

## UNO Veto Right Amendment Sought By Australia

New York, Nov. 14. The United Nations Political Committee, under the chairmanship of Dr Dmitri Manuilsky (Ukraine) to-day began its debate on the controversial question of the Big Power veto right.

Australia's member on the Security Council, Mr. Paul Hasluck, presenting the Australian resolution on veto right to the committee, said: "The question we are placing before the committee is not an amendment of the veto article. The question is whether the Great Powers are carrying out the obligations assumed when this article was adopted."

Mr. Hasluck then gave a detailed review of the Security Council in which he asserted that the Soviet Union used the veto ten times. "The plain and rather ugly fact is that a permanent member has claimed successfully he can select at will those resolutions on which he wishes to exercise the veto. In other words, the privilege in Article 27 is being pushed dangerously near the point where one member of the Security Council wishes to exert some sort of authority, not only over what the Council does, but what the Council may intend to do."

Mr. Hasluck summarised the three charges: "Firstly, the spirit of the Charter has not been observed and the veto applied in ways which the

## CZECH MINE DISASTER

Prague, Nov. 14. A mine official said to-day that he believed a coal dust explosion caused the Kolnohor disaster which claimed the lives of 52 miners early this morning.

Miners' families gathered around the shaft before daylight and the first bodies were not brought up until eight hours after the blast.

The official said rescue work was delayed because the locale of the explosion was one hour distant in the shaft and corridor from the main hoist tower.—United Press.

San Francisco Conference never intended and contrary to assurances given by the great powers in San Francisco.

"Secondly, the claims made for the use of the veto have stifled the Security Council's work and undermined its authority in the eyes of the Council's ability to deal effectively with matters brought before it."

"Thirdly, by employing the veto as an instrument of national policy a permanent member by so acting has forgotten its representative capacity and its obligations under the Charter to act on behalf of all other members."

Three Courses. Australia proposed the following steps to remedy the situation: 1. Moderation of the permanent members in using the right of veto. 2. Increased measure of consultation and a spirit of give and take among the Big Five. 3. Development of procedure in the Security Council which would make unnecessary continual voting on procedural matters.

The first of the small countries to support the veto was Poland, its representative saying: "By making changes now we run the risk of abolishing something which we cannot replace by anything better, at least at present."

The Philippines added a further resolution.

Sir Carl Berendsen, of New Zealand, said that his delegation was opposed to the veto principle "root and branch."

Senator Tom Connolly, of the United States, intimated that he would reserve his reply until the next meeting. The discussion was adjourned until to-morrow.—Reuter.

## Jew Terrorists' Threat To Blow Up Railways

Jerusalem, Nov. 14. Hundreds of people dashed to shelter to-day following the cry "Explosives" when a small brown parcel was found on a traffic island in Jaffa Road here.

The area was immediately cordoned off and British Army Sappers were called in. After a Bren gunner had pumped six shots into the parcel it was opened and found to contain an armature of dynamite. A young Jew, who was caught depositing the parcel, is being held for interrogation.

British Sappers to-day removed a live mine discovered by the police from the railway track mid-way between Haifa and Lydda.

The discovery came after the death of an Arab constable injured yesterday when a mine exploded under a stationary goods train near Lydda junction.

The Jewish terrorist organisation, Irgun Zvai Leumi, has appealed to an Arab constable injured yesterday when a mine exploded under a stationary goods train near Lydda junction. The Jewish terrorist organisation, Irgun Zvai Leumi, has appealed to an Arab constable injured yesterday when a mine exploded under a stationary goods train near Lydda junction.

Meanwhile, the Irgun Zvai Leumi announced to-night, in posters fixed to walls in Tel Aviv, that all Palestine railway lines, except one serving Jewish settlements in the northern plains, are liable to be blown up. Appealing to both Jews and Arabs not to use railways, the posters said: "Irgun Zvai Leumi will not be responsible for the lives of those who disobey their warnings."—Reuter.

Paris, Nov. 14. The Jewish National Liberation Movement has started to form a Provisional Palestinian Government-in-Exile. Mr. Samuel Merin, Secretary-General of the Movement and self-styled political spokesman of Irgun Zvai Leumi, told the Paris newspaper France Soir to-day: "Several countries in Europe—behind the Iron Curtain as well as in front of it—in North America and South America, have already informed us they are willing to have 'practical' relations with the Provisional Government we intend to establish," he said.

Mr. Merin also denied there was any Jewish bomb threat to the British Embassy in Paris. "There is no parallel with the embassy in Rome, which was the centre of anti-Zionist intrigue. The embassy in Rome contained plans for preventing the emigration of Jews, whose embarkation ports were often in Italy."

He also denied that Jewish terrorists were threatening the life of Field Marshal Viscount Montgomery.—Reuter.

Cunarder Searched. London, Nov. 14. The lookout for Jewish terrorists was extended to-day to the Cunard White Star liner Ascania when she arrived at Liverpool from the Middle East.

Customs officials and immigration officers went immediately on board the liner, while military and civil police took up positions at the bottom of the gangway to check the identity of all persons boarding the vessel. Passengers passed through the hands of interrogation officers in one of the saloons before they were allowed to land.

Luggage, mostly labelled for London, was carefully examined by customs officials. The passengers, except for about 200 Service personnel, including members of the Palestine police force returning on leave, include Greeks, Cypriots and Maltese coming to Britain to settle their relatives. There was a number of Jews, mainly young students, coming to British universities.

A few friends and relatives of passengers arrived at the dock entrance. Several of them were Jews. All cars were stopped and identity cards were examined. Press photographers had their camera cases inspected.

One of the passengers, according to newspapers, was Mr. Harold Richards, Assistant Colonial Secretary of Cyprus, who is reported to have said that nothing out of the ordinary took place during the voyage.—Reuter.

Faked Bolivian Visas. Vienna, Nov. 14. The American Army authorities said to-day that 300 Jewish refugees who tried to get into France via alleged fake Bolivian visas were not allowed to return to the American occupation zone of Austria.

The refugees were being held in the French occupation zone near Innsbruck, it was learned, and so far as the Americans are concerned they are now a problem for the French.

The spokesman for the French Consulate confirmed that transient visas had been issued there permitting the refugees to travel to France. The French Army authorities were understood to be investigating the incident.—United Press.

## British Administration Of Zone In Germany Attacked By Eden

London, Nov. 14. The situation in the British zone in Germany rightly gave rise to the deepest disquiet in Britain, said Mr. Anthony Eden, Britain's wartime foreign Secretary in the House of Commons to-day.

He added the Battle of the Winter was going to be definitely sterner than that of last winter. The successful administration of the British zone was a matter of maintaining in Europe, and particularly in Germany, the British reputation for fairness, honesty and mercy.

Mr. Eden, who was speaking in the resumed debate on the King's speech outlining the Government's plans for the present session of Parliament, recalled the following statement he made in July, 1941, with the full authority of the War Cabinet when Britain's fortunes were very low: "It is not our policy to cause any other country to collapse economically. I say that not out of love of Germany but because a starving and bankrupt Germany in the midst of Europe would poison all of us who are her neighbours. That is not sentiment, it is commonsense."

Mr. Eden added that he thought those words should still be the foundation of British policy. He added: "Times have changed. The time has now been reached when the Government must surely face the fact that we cannot fulfil our obligations under an international instrument if others are not doing the same. This applies particularly to the treatment of Germany as an economic whole."

Deliveries of Food. "I have seen a report to-day which I trust is true, that some shipments of wheat from Russia are being made to the British zone. I hope the Government can give us some information about that. It is essential that this supply should be maintained on a really substantial scale for so far this vital balancing element of the Potsdam Agreement has not been present at all."

Mr. Eden asked the Government to give a clear statement how it stood in respect of the continued removal from the British zone of Germany of industrial plants which were essential to the economic life of that zone. He declared: "It seems we are still continuing these reparations deliveries, or at any rate, still continuing to dismantle industrial establishments for reparations deliveries."

"This is quite apart from the fact that until very recently no contributions, so far as I know, have been made by our Russian ally, to treat Germany as an economic whole. In these conditions it is not very surprising that in the British zone they have been giving rise to deep dependency, so we are told, among all thinking Germans, and in particular Germans to whom we have to look to establish a true democratic system in Western Germany."

Removal of Plant. Recalling that he recognised that the Opposition had the responsibility to make some constructive suggestions, Mr. Eden said: "This question of the removal of plant from our zone must be considered first in the light of a contribution made by our allies. Unless that contribution is full and adequate and continuing, there should not in my judgment, be any further deliveries of plant at all. On the other hand, if the other side make their contribution in accordance with the terms of the Potsdam Agreement which has not yet been done, then we should consider together how we

(Continued on Page 4)

## ANTI-GOVERNMENT UPRISING IN SINKIANG FEARED

Shanghai, Nov. 14. Times Correspondent who has just returned from Sinkiang Province, westernmost China adjoining Russia, reported that a general uprising of the Muslim Uighur natives against Chinese sovereignty is feared as a result of sporadic outbreaks of fighting in the past few days.

Drake said as a result of the outbreaks, Gen. Soong Shih-ling, veteran of the Burma campaign, has been placed in command of the Nationalist troops by Sinkiang's Governor Gen. Chang Chih-chung.

He said a series of subversive acts began on October 10 when a group of provincial officials was ambushed and killed near the Soviet border. The victims included two Kazakh leaders, Resat Turgen Yuz, deputy magistrate of the Tihwa region, and the deputy secretary general of the provincial government.

Tribesmen in the Altai region have petitioned Governor Chang to send a punitive expedition there, claiming that massacres were the work of Uighur terrorists.

Sinkiang was the scene of a bloody rebellion in 1944-45 in which the Muslim peoples of Sinkiang won complete control of the rich north-west and were to be terminated in the treaty of Tihwa on August 20, 1945 under which the Muslim won virtual autonomy for the so-called, East Turkistan People's Republic, and demanded Governor Chang to remove all Nationalist troops from Sinkiang. A mob of 300 Muslim natives thereafter broke into the Sinkiang Supreme Court and spirited away a Uighur prisoner just before he was supposed to be tried for the murder of a Chinese air officer in Tihwa.

Drake said Governor Chang was expected to fly to Nanking in an attempt to obtain effective military reinforcements for Sinkiang, and attempt to block efforts of Uighur representatives to obtain from the National Assembly recognition of the autonomous Muslim government. The situation was said to be very tense in Sinkiang.—United Press.

## TWENTY-SIX KILLED IN DUTCH AIR DISASTER

Amsterdam, Nov. 14. Twenty-six people were killed in an air tragedy at Schiphol airfield, near Amsterdam, to-night.

A dramatic last message, "Engine on fire: heading for Schiphol" was received in the control tower at Croydon airport, London, a few minutes before a Dakota of the Royal Dutch Air Lines burst into flames when touching down at Schiphol. The aircraft was piloted by a Briton, one of the airliner's most experienced pilots. There were no survivors. No information is yet available in London as to the identity of the passengers. Air disasters resulting in serious loss of life reported earlier this month were: November 1—25 killed in a French passenger plane crash in central France. A flying Fortress with a crew of eight was lost near Naples. November 7—A Dakota (American) with ten occupants believed to have crashed into the sea. A flying Fortress, with a crew of eight missing between Naples and London. A United States transport plane missing after leaving Iceland. November 8—Eight killed in a Royal Air Force Anson aircraft crash near Hamm, Germany. November 13—A Douglas airliner crashed in Mexico. Fifteen were killed. In 17 air crashes during November 120 people lost their lives.—Reuter.



SHOWING  
TO-DAY**LINKS**At 2.30, 5.10,  
7.15 & 9.15 p.m.

ALSO LATEST METRO NEWS.

NEXT STAN LAUREL - OLIVER HARDY in  
CHANGE: "AIR RAID WARDENS"  
A Metro-Goldwyn-Mayor Picture

SPECIAL MORNING PERFORMANCE, SUNDAY at 11.30 A.M.

SHIRLEY TEMPLE in "KISS AND TELL"  
A Columbia PictureSHOWING  
TODAY**QUEEN'S**At 2.30, 5.15,  
7.15 & 9.15 p.m.Hear Charming ALICE FAYE sing that ever-popular  
"YOU'LL NEVER KNOW" and many others in . . .**ALHAMBRA**

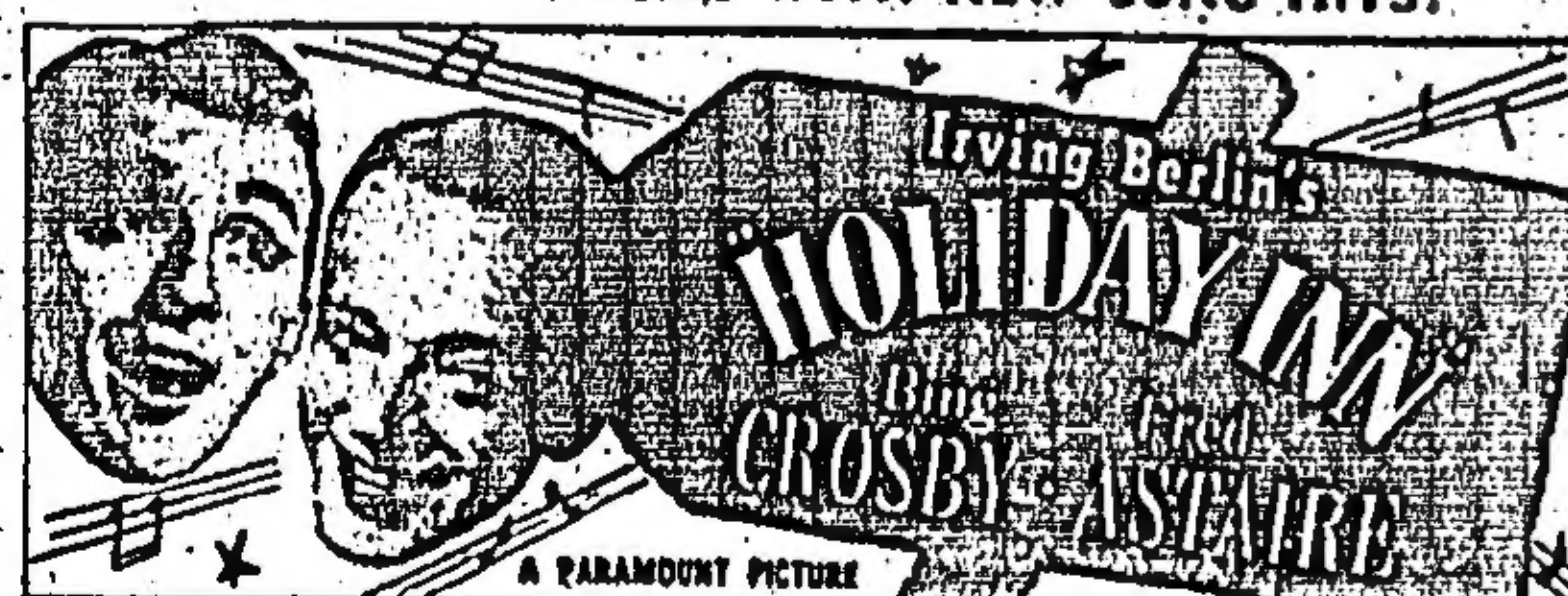
SHOWING TO-DAY

2.30, 5.20, 7.20 &amp; 9.20 P.M.

**ORIENTAL**

SHOWING TO-DAY: 2.30-5.15-7.30-9.30 P.M.

A GRAND MUSICAL WITH NEW SONG HITS!

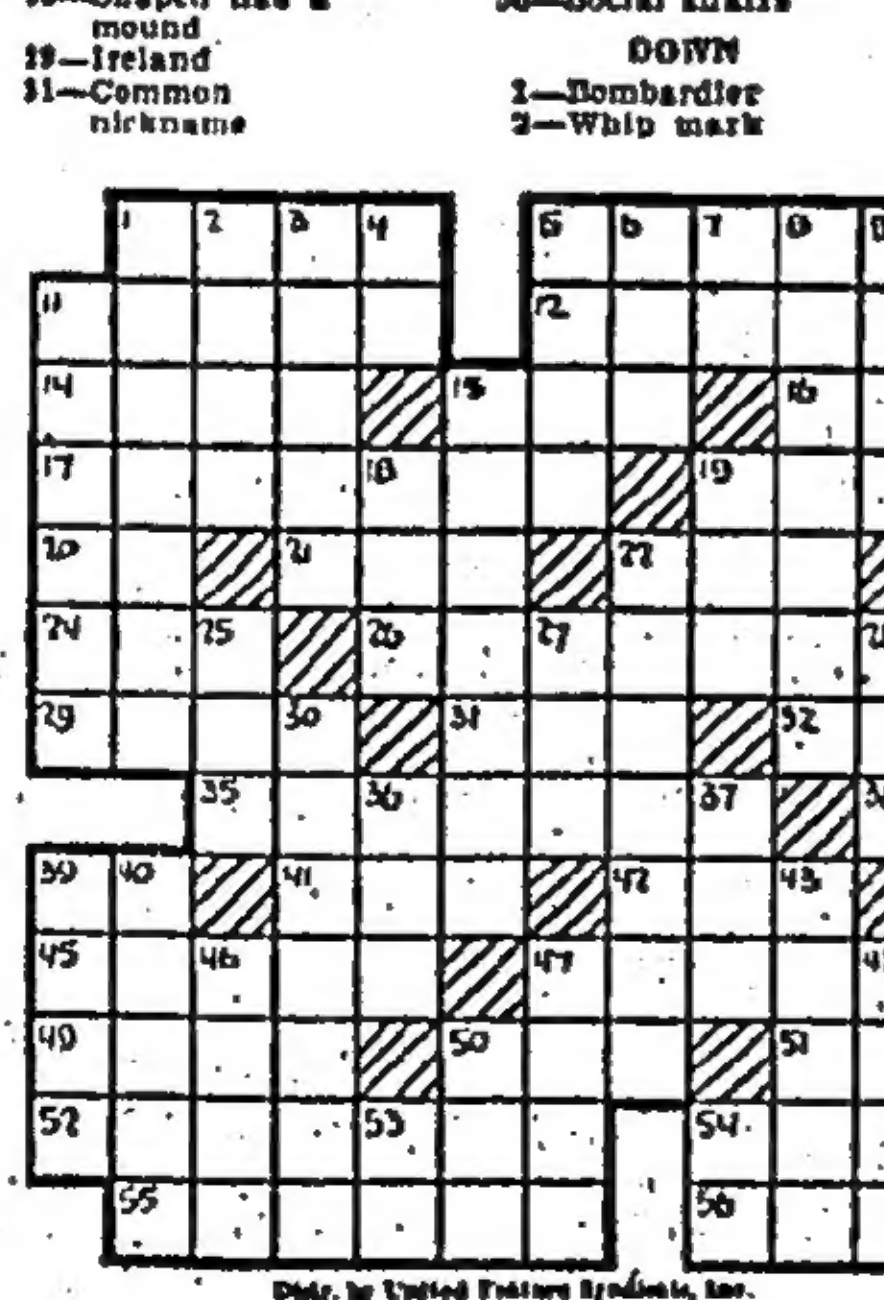
TO-DAY  
ONLY**MAJESTIC**At 2.30, 5.20,  
7.20 & 9.20 p.m.THEY GET ALONG LIKE DYNAMITE  
AND A BLOW TORCH!  
BRIAN DONLEVY - MIRIAM HOPKINS  
PRESTON FOSTER in  
"A GENTLEMAN AFTER DARK"  
SMOOTH, SILK SATAN IN A TOP HAT!  
Released thru UNITED ARTISTS  
— TO-MORROW —  
"SALOME, WHERE SHE DANCED"**Civil War Until  
Absolute Pakistan  
Is Achieved?**New Delhi, Nov. 14.  
Mr Mohammed Ali Jinnah,  
head of the Moslem League,  
told the foreign press to-day  
that India will be plagued by  
civil war until "absolute  
Pakistan" is achieved."I don't think there will be peace  
throughout the country without a  
division of Pakistan and Hindustan,"  
he said.Mr Jinnah's League embraces 100  
000,000 Moslems. It maintains India  
is not one nation, but two—Hindu and  
Moslem—and rendered incompatible  
by culture, customs, morals, and  
history as well as religion.The League President ascribed the  
present mutual slaughter to the fear  
of both sides to domination from the  
other and he said division of the  
country would remove this fear.He denied the accusations that the  
present interim Government, is a  
Cabinet, declaring that it was an  
Executive Council under the India  
Government Act of 1919.This Government, said Mr Jinnah,  
was not empowered to intervene in  
the communal rioting since power  
was vested in the Viceroy and the  
Provincial Governments. "This  
Government should not be allowed to  
do anything which could directly or  
indirectly prejudice our demand for  
Pakistan."He said Pakistan and Hindustan  
"will evolve the Monroe Doctrine  
more solidly than the continent of  
America."Britain "drifting"  
London, Nov. 14.The Moslem League President, Mr  
Mohammed A. Jinnah, to-day told  
the Exchange Telegraph correspond-  
ent in New Delhi that the "British  
Labour Government is blundering  
and leaving doubt in pursuing its  
present policy."Amplifying his statement, Mr Jin-  
nah said: "I mean that both in  
India and in Palestine the British  
Government is without a policy and  
it is merely drifting."Mr Jinnah said, however, that  
Britain may be acting "with the  
best of intentions."—United Press.**KEPT POW'S WATCH**Kure, Nov. 14.  
Osamu Sasaki was to-day sen-  
tenced to three years hard labour  
for his connection with the Greer  
watch case which was solved a  
month ago.Capt Sidney A. Greer, now dead,  
turned over his watch to Shusuke  
Wada—now being held in Sugamo  
—for the promise to provide food  
while Greer was starving aboard the  
Japanese prisoner ship, Enoura  
Maru. Wada kept the watch but  
refused to provide food and later  
gave the watch to his cousin, Sasaki.  
Sasaki was convicted for withhold-  
ing information from American in-  
vestigators since.—United Press.**PARIS BLACK-OUT**Paris, Nov. 14.  
Paris may be totally deprived of  
gas and electricity by the end of  
the week if the demand of gas and  
electricity workers for a 12½ per  
cent wage increase is not met with-  
in 48 hours from to-day, the workers  
announced.—Reuter.**Crossword Puzzle**

ACROSS

- Exchange
- Fortunes
- Figure
- Conformed
- Lamprey
- Alkaline solution
- The color beige
- Arm covering
- Whimsical tooth
- Did
- Albert
- Lying down
- Monkey
- Prized down
- Excurs of women
- Shaped like a
- Irishman
- Common nickname

DOWN

- What Britain wants
- Strength
- Boomer than
- Similar
- Prefix: wrong
- Spice
- Musical note
- Beer mug
- Mistled
- Pierman's gadget
- Destination
- Political elite
- Money
- Money
- Echo of an echo
- Scold's affair
- DOWN
- Whisperer
- Whip mark



Clue: United States President, 1945-1953

**British Scepticism  
Over U.S. Initiative  
In Calling Tariff Talks**

London, Nov. 13.

The British and most other delegations at the  
London Economic Conference are sceptical about the  
United States initiative in calling an eighteen nation  
tariff reduction conference at Geneva next April.They may be wrong. They think that the Republicans  
will not mean business about reducing United States tariffs,  
on which all other countries' reductions of tariffs and pre-  
ferences depend.But messages received by the  
United States delegation since  
the elections are surprisingly re-  
assuring. United States manu-  
facturers want to export, want  
to get paid for their exports, re-  
cognise that payments can fun-  
damentally come only by United  
States imports and recognise  
further that both exports and  
imports depend on reducing  
trade barriers, in which the  
United States tariff is the crux.What is disappointed depends on  
what is expected. The fact that the  
United States State Department could  
not even give statutory notice of hear-  
ings on its intention to negotiate  
tariff reductions until after the  
elections speaks for itself.But this has been known for  
months and may have more con-  
structive results than sceptics sup-  
pose.The Geneva conference in April  
will be the real "economic disarmament"  
conference. The fact that  
tariffs are pitched low gives it more  
scope for pleasant surprises.U.S. Initiative  
That the initiative comes from the  
United States is wholly good. That  
it has accompanied by a change to  
a high tariff party. Fortunately, the  
latter change has anticipated the  
former. From this angle, the Re-  
publican Congress has come just in  
time—while all countries can still  
plainly see the fallacy of blockading  
themselves against needed imports.British Sceptical  
The British and other countries'  
scepticism about United States tariff  
reduction proposals mainly reflects  
the belief that the Republican Con-  
gress will nullify the Democrat pre-  
sident and administration. On  
both general and specific grounds  
this scepticism may be falsified.One question the common as-  
sumption that President Truman will  
be impotent. On the contrary,  
President Truman may have more  
independence than at any time since  
his first month. With an openly Re-  
publican Congress, President Trin-  
man and the world should know  
how they stand far better than  
under the last Congress which nominal-  
ly supported President Truman buteffectively didn't—since its dominant  
coalition of Republicans and  
Southern Democrats could frustrate  
the administration at every turn.  
President Truman's authority to  
negotiate reciprocal reductions up  
to fifty per cent in United States  
tariffs extends until 1948.**Virtually Valueless.**Sceptics at the London Economic  
Conference assert that this is now  
virtually valueless because firstly, it  
could be overridden indirectly by a  
Republican Congress refusing ap-  
propriations or overriding directly  
in 1949 if the Republicans elect a  
president as well as a congress.Secondly, President Truman is not  
empowered to cut tariffs more than  
50 per cent or to transfer any articles  
from the dutiable to the free list  
and 50 per cent cuts might be  
mere gestures, still leaving many  
United States tariffs prohibitive.Neither objection seems very logi-  
cal. Firstly, Mr Clayton will not  
stultify himself by negotiating in  
1947 things which the Republicans  
intend to overthrow in 1948.Obviously, the administration will  
proceed only as far as Congress  
consents—which is the plain impli-  
cation of President Truman's policy  
statement and is presumably how  
the United States constitution was  
intended to work.**Gestures for Gestures**Whether that will be further or  
less than a Democrat Congress  
would have gone remains to be  
seen. If as it appears the Republi-  
cans are the party more intent upon  
exports they must also be the more  
intent upon imports and tariff re-  
ductions: if they give only gestures,  
they will get only gestures.The big thing is that the world  
will know how it stands. Secondly,  
the State Department off the coast  
hardly dares to whisper how much  
it gets under the United States Re-  
ciprocal Trade Agreements Act as it  
stands. If 50 per cent cuts were  
applied extensively, United States  
tariff would be reduced to the 1913  
level, which is the lowest the United  
States ever had.Moreover, price prices are now  
far above 1913, the real burden of  
all specific tariffs is correspondingly  
reduced.The United States would not go  
that far unless Britain and other  
countries went equally far. It can-  
not be taken for granted that they  
will refuse.  
Imports and sellers' markets have  
taught all countries the disadvantage  
of blockading themselves. With the  
world's population so heavily bur-  
dened, the advantages of economic  
disarmament as of military dis-  
armament are very real if attainable.  
—Reuter.**THEFT OF GOLD BARS**Ten gold bars, weighing 100  
ounces and worth well over \$230,-  
000,000, were stolen from his room  
recently, it was reported by a  
Shanghai resident.**According To Culbertson**

(Copyright, 1946, by Ely Culbertson)

There were two excellent, safe  
ways of making the slam in to-day's  
deal, but the declarer went wrong  
at the first trick.

South, dealer.

North-South vulnerable.

NORTH

♠ A Q

♥ A J K

♦ K J 8

♣ J 10 8

WEST

♠ 7 6 5 4

♥ Q 3 2

♦ A 3

♣ Q 7 6 5

EAST

♠ K J 10 9 8

♥ 7 6 5 4

♦ A 2

♣ A 8 2

SOUTH

♠ 3 2

♥ K 8

♦ A Q 10 9 5

♣ A K

The bidding:

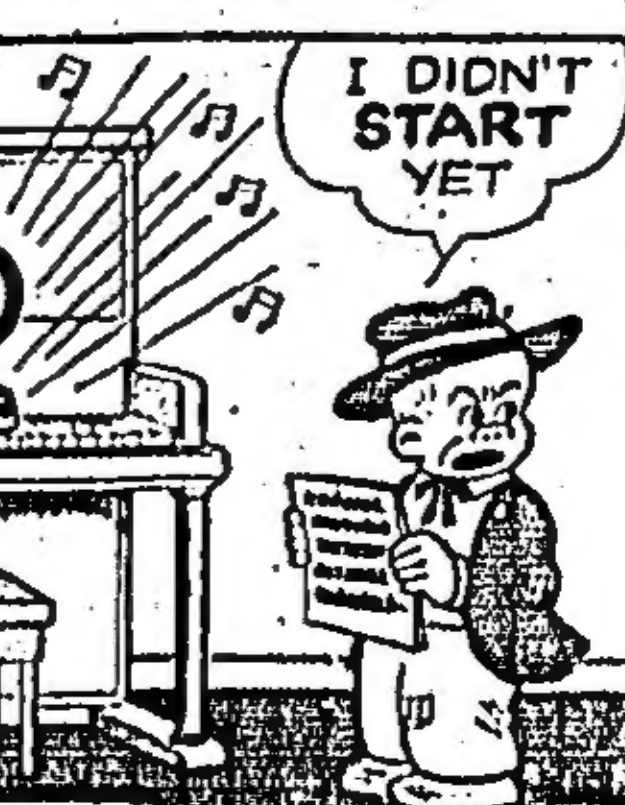
North: 1♠, 2♠, 3♠, 4♠, 5♠, 6♠, 7♠, 8♠, 9♠, 10♠, 11♠, 12♠, 13♠, 14♠, 15♠, 16♠, 17♠, 18♠, 19♠, 20♠, 21♠, 22♠, 23♠, 24♠, 25♠, 26♠, 27♠, 28♠, 29♠, 30♠, 31♠, 32♠, 33♠, 34♠, 35♠, 36♠, 37♠, 38♠, 39♠, 40♠, 41♠, 42♠, 43♠, 44♠, 45♠, 46♠, 47♠, 48♠, 49♠, 50♠, 51♠, 52♠, 53♠, 54♠, 55♠, 56♠, 57♠, 58♠, 59♠, 60♠, 61♠, 62♠, 63♠, 64♠, 65♠, 66♠, 67♠, 68♠, 69♠, 70♠, 71♠, 72♠, 73♠, 74♠, 75♠, 76♠, 77♠, 78♠, 79♠, 80♠, 81♠, 82♠, 83♠, 84♠, 85♠, 86♠, 87♠, 88♠, 89♠, 90♠, 91♠, 92♠, 93♠, 94♠, 95♠, 96♠, 97♠, 98♠, 99♠, 100♠.

West led the spade seven, and  
after one look at dummy, declarer  
tried the queen finesse, no doubt  
reflecting that success with either  
this or the heart finesse would**Roosevelt Memorial  
Campaign Opening  
On Sunday**London, Nov. 14.  
A campaign to collect £40,000 for  
a memorial to the late President  
Roosevelt in Grosvenor Square,  
London, will be opened on Sunday  
night over a BBC broadcast by  
Prime Minister Attlee.The proposed memorial will con-  
sist of a 10-foot bronze of Roosevelt  
standing in his characteristic pose  
with a cloak over his shoulders as  
when he took the oath of office be-  
fore the capital. The statue will  
stand on a 10-foot plinth of Port-  
land stone of which many famous  
monuments, including the Cenotaph,  
were constructed.The memorial will stand in the  
central gardens of Grosvenor Square  
which will be suitably landscaped.  
The site was chosen and donated by  
the owner, Duke of Westminster,  
because the Square contains the U.S.  
Embassy and has been connected  
with the United States for the past  
250 years.Donations for the memorial will  
not be received from Americans as  
the committee of the Pledge Society,  
which is organising the cam-  
paign, wish the memorial to be a  
tribute from the British man-in-the-  
street and for this reason individual  
contributions are limited to a  
maximum of 15 shillings.The Lord Mayor of London will  
give a luncheon at Mansion House  
on Monday in connection with the  
campaign while motion picture  
theatres throughout the country will  
carry a film on Roosevelt with a  
commentary by former Ambassador  
Lord Halifax.The monument when completed  
will be unveiled by Mrs Eleanor  
Roosevelt.—United Press.**MANDATED ISLANDS****Highest Priority For Guam  
Development****TO TRAIN CHINESE NAVY**Washington, Nov. 13.  
The United States plans to use  
former Japanese mandated islands  
to supplement the present perma-  
nent defence bases at Guam, Pearl Har-  
bour, the Aleutians and Alaska. It  
was said that only Kwajalein, the  
Marshall, Caroline and Mariana  
groups were marked for major  
strategic role in the peacetime mili-  
tary plan.Guam development has the high-  
est priority. Completion is sche-  
duled in 1951 of a base capable of  
supporting any United States fleet in  
the Pacific. Temporary bases at  
Dutch Harbour and Konak will be  
made permanent. Japan is to be  
auxiliary to Guam. Kwajalein will  
continue as a refuelling point.The United States has no perma-  
nent naval base in China, but is  
helping to build a strong Chinese  
Navy. The United States Navy is  
training 110 Chinese officers and  
1,100 enlisted sailors at the Tsingtao  
Naval College. The theory is that  
a strong Chinese Navy would per-  
mit the United States to withdraw  
many ships now spread over the  
Pacific.—United Press.Shanghai, Nov. 14.  
Chinese gendarmes here are await-  
ing plane transportation to Tokyo  
to pick up 11 puppet Chinese Em-  
bassy and consular officials who have  
been taken into custody by the  
Chinese Mission to Japan.—United  
Press.**Prizes In Memory  
Of R.A.F. Sergeant**Major Keith Groves, and Mrs  
Groves of Maughold, Isle of Man,  
have placed at the disposal of  
the Air Ministry a sum of money  
to found three prizes in memory  
of their son, the late Ser-  
geant (Meteorological Air Ob-  
server) Louis Grimble Groves,  
R.A.F.V.R., who lost his life on  
a meteorological sortie in  
September, 1945.These prizes, which will be  
awarded annually on July 1, com-  
memorating 1947, have as their object  
the encouragement of the study of  
the problems of the safety of air-  
craft and flying personnel, the  
stimulation of research in the science  
of meteorology and the application  
of meteorology to aviation, and the  
recognition of meritorious work by  
flying personnel employed on  
meteorological air observer duties.They will be known as: the L. G.  
Groves Memorial Prize for Aircraft  
Safety, the L. G. Groves Memorial  
Prize for Meteorology, and the L. G.  
Groves Memorial Award for  
Meteorological Air Observers.Both the prizes and the award  
will be given at least partly "in  
kind" and the winners will be con-  
sulted as to the precise nature of the  
object to be presented (e.g. books,  
instruments, etc.), which will be  
suitably inscribed. If the object  
selected by the winner does not  
absorb the whole of the income  
available that year for the particular  
prize, the winner will receive the  
balance in cash. The names of the  
winners will, as in the case of  
winners of other Memorial Prizes  
before war, be recorded in the  
Air Force List.**Safety Award**The L. G. Groves Memorial Prize  
for Aircraft Safety, of the approxi-  
mate annual value of £37, 10 0d.,  
will be awarded for the most im-  
portant contribution during the year  
towards the safety of aircraft and  
flying personnel, either by practical  
work or by the writing of con-  
structive papers. The L. G. Groves  
Memorial Prize for Meteorology, of  
the approximate annual value of  
£25, will be given for the most  
important contribution during the  
year either to the science of  
meteorology or the application of  
meteorology to aviation. These  
prizes will be open to serving  
officers and other ranks of the RAF  
and WAAF (and in the case of the  
latter, to all members, male or  
female, of the Meteorological Office  
Staff).The L. G. Groves Memorial Award  
for Meteorological Air Observers of  
the approximate annual value of  
£12, 10 0d., will be confined to  
flying personnel who have been em-  
ployed during the year on  
meteorological air observer duties  
and will be awarded for meritorious  
work or devotion to duty.Major Groves is the brother of the  
late Air Commodore R. M. Groves,  
CB, DSO, AFC, who was killed in  
an aircraft accident in Egypt in 1920  
and in whose memory four prizes  
for the benefit of the RAF were  
founded by members of the Groves  
family among them Major Groves,  
in 1921.**NAZI SCIENTISTS IN  
UNITED STATES**Washington, Nov. 14.  
The United States War Depart-  
ment to-day lifted the curtain and  
revealed that the United States  
Nazi scientists helping the  
American air and ground forces in  
the development of rockets and other  
new weapons.A substantial number of German  
scientists have been working in  
Army establishments in Texas and  
Ohio, the War Department said, add-  
ing that they would be available for  
interviews and photographs next  
week.—Central News.Nanking, Nov. 14.  
The First Secretary of the Chinese  
Special Agent's Office in India has  
been appointed Chinese Charge  
d'Affaires following the approval  
of the Indian Government, it was  
learned here to-night from Foreign  
Ministry circles. The Chinese Am-  
bassador to India has not yet been  
decided upon.—Central News.

The  
**Hongkong Telegraph.**

**DON'T MISS**  
To-Morrow's  
Week-End  
Edition

**NEWS  
PICTURES  
SPECIAL  
FEATURES  
FROM LONDON  
FASHIONS  
CARTOONS**

**NANCY** Nancy Likes It Simple**THAT'S GOOD, SLUGGOS—IT'S THE BEST ONE YOU'VE WRITTEN****By Ernie Bushmiller**



WELSH  
NEWSLETTER

(By J. C. Griffith Jones)

Wales had a special interest in the recent Government reshuffle of Ministers. Mr G. H. Hall, Secretary for the Colonies, becomes Chief of the Admiralty and will be created a peer. The former pit-boy born in Penrhynweller has climbed to the dizzy heights of a viscountcy and civil ruler of the King's Navy.

In his native valley Mr Hall is still "George" to most people. He still comes home periodically to the house where he lived when he was a young collier. His peering is not likely to make him lose his head and put on airs. His quiet manner conceals a forceful character, a round grasp of affairs, and considerable administrative ability. He has served in the Admiralty before, as Under-Secretary in the days of the first Labour Government. He will be a popular and uncontentious efficient.

Mr Hall's transfer to the House of Lords necessitates a by-election in the Aberdare Division. Already there is a political stir in the Valley.

George Hall with his local as well as national pull held the seat securely for Labour for some 20 years. His majority at the General Election last year exceeded 27,000 votes in a straight fight with a Conservative. The seat seems safe for Labour especially if another local Labour leader becomes the candidate, as is probable.

But there are people who say that the result is by no means a foregone conclusion.

**Many Unemployed**  
In the Aberdare Valley, where this by-election will take place shortly, there are over nearly 5,000 unemployed, and some 2,000 of them are partially-disabled ex-miners who find it hard to keep themselves and their families on the dole augmented only by seasonal money.

Of course, the Communists are active and the dole queues are fertile ground for their propaganda. No doubt there will be a Communist candidate. I am told that the Liberals may also attempt to stage a revival by contesting the seat and emphasizing in their campaign that the solution for all these problems is to be found in a policy which rejects class conflict and concentrates on using private enterprise as well as State resources to build the houses and factories so desperately needed.

If the Communists split the workers' vote the Government may get a surprise. Whatever happens, this will be the most interesting political contest held in Britain since the General Election. But I still think personally Labour will hold the seat although perhaps by a considerably reduced majority. Mr George Hall's help will be needed to stiffen the campaign of his successor.

In that other field of contest—the sports arena—some interesting things have been happening lately although the football season is still young. After starting the present campaign uncertainly Cardiff Rugby Club has regained some of last year's sparkle. Convincing victories against strong Coventry and Newport sides were the Arms Park brigade's latest feats.

Swansea Town and Newport County have been in the news as buyers of expensive players to try and lay the bogey of defeat. Newport lost at Newcastle by the astounding margin of 13 goals to nil a week ago. The sequel has been a splash to acquire four new players at a cost of £8,000.

After a poor start Cardiff City with a team composed almost entirely of locals have won the last two games. Goals 25 for, 9 against. Position, third in the Southern League table. Promotion form this.

Vatican City Nov. 14.  
Pope Pius to-day appointed Monsignor George Donnelly, at present Bishop of St. Louis, as Bishop of Leavenworth, Kansas.—United Press.

## SIDE GLANCES

By Galbraith



"Please call my wife and get a full report on that half-hour program of family trouble that I worried about all during my vacation!"

The "Stringbag"  
Becomes A  
Museum Piece

A Swordfish aircraft, one of the type affectionately nicknamed "Stringbag" by Naval pilots, is to be given to the National Maritime Museum, Greenwich, to commemorate the war at sea.

Swordfish were in operational use throughout the war in both Europe and the East.

These aircraft helped to cover the evacuation from Dunkirk. They wrought havoc among the Italians at Taranto and Cape Matapan and one of a squadron scored a direct hit on the stern of the Bismarck. After this action Swordfish returned to land safely on the deck of the Ark Royal when the heavy sea made it impossible for other aircraft to operate.

They fought a gallant action when the German battleships Scharnhorst and Gneisenau escaped from Brest and ran the gauntlet through the Straits of Dover.

## Sixteen Galleries

The National Maritime Museum has absorbed many famous battlepieces since it was established in 1834 to instruct the public in maritime history. Since 1939 the buildings have been reconstructed and sixteen galleries prepared to receive exhibits illustrating naval activities of the two world wars.

The Swordfish will find an honoured place among hundreds of relics which a Naval War Trophies Committee is obtaining for exhibition at Greenwich and in four other National Museums: The Imperial War Museum, Lambeth Road, S. E.; the Museum of the Royal United Service Institution, Whitehall; the Science Museum, South Kensington; and the Royal Scottish Museum.

Admiral Sir Martin Dunbar-Nasmith, VC, KCB, who received his VC in the 1914-18 war for conspicuous bravery as a submarine commander, and in the last war was Flag Officer-in-Charge, London, is organising the appeal. He has at his disposal Naval officers who will visit dockyards and shipyards seeking suitable relics to add to those already in the possession of the State.

At three Museums are steering wheels from HMS Vengeance, similar to one given to the King of Norway for exhibition as a reminder of the part played by Vengeance at the Battle of Narvik. The Royal United Service Institution has the Naval ensign from the first U-boat which surrendered at Portland, while radar and radio sets are to be made available to the Science Museum.

In addition to exhibits which can be obtained through official sources, the Naval War Trophies Committee hope to enlist the support of the general public to obtain personal relics, such as signed orders, letters, paintings and items relating to the war. The committee will also accept donations of any other items of value to historians.

United States price controls, export controls and domestic priorities would be maintained on materials still in short supply, at least until the end of March, stated Mr John Small, Civilian Production Administrator, to-day.

Stating that the authority of the Civilian Production Administration would expire at the end of March unless renewed by Congress, Mr Small added: "The country is in good shape. If we can continue production at the present level and avoid a major strike I believe the gods are in our favour."—Reuter.

## U.S. PRICE CONTROLS

Washington, Nov. 13.  
In spite of the virtual end to United States price controls, export controls and domestic priorities would be maintained on materials still in short supply, at least until the end of March, stated Mr John Small, Civilian Production Administrator, to-day.

Stating that the authority of the Civilian Production Administration would expire at the end of March unless renewed by Congress, Mr Small added: "The country is in good shape. If we can continue production at the present level and avoid a major strike I believe the gods are in our favour."—Reuter.

NORTH CHINA—Like  
an ugly hangover from  
major war front

(By Doon Campbell)

DESPITE the latest cease-fire proposals, vast areas of North China are still on a war footing—something like an ugly hangover from a major operational front, with pillboxes and blockhouses, concrete fortifications, trenches, miles of barbed wire and curfews.

In an eight-day tour of Chahar, North Shansi and Suiyuan I have seen the debris of devastated industries, square miles of battered buildings, desolation and ruin. Normal conditions do not exist. Between Shaling, half buried corpse of a village outside the medieval defences of Tatung and Tsinning, there are the snow-capped graveyards of more than 20,000 Communist troops. The countryside is withered and wasted by war and winter.

There are homes without roofs, bridges with arches blown away, and rails hoisted on tree trunks instead of sleepers.

There is no escape from the military atmosphere. Fifteen guards keep a vigorous look-out the whole 60 miles from Tatung to Tsinning. The caboose was splintered with Communist bullets. The line was milestoned by battered stations and the wreckage of battle.

A bullet-proof coach—the same sort of contraption as Mussolini used to use—made the ride from Tsinning to Kwei-chow, capital of Suiyuan, much more comfortable. The train still mounted an artillery piece, a machine gun and a search light when it crawls through the bleak, barren foothills that are yet costing Chinese blood. They are harbouring no sizeable Communist force but pockets of some 20 to 200 lurk in waves and cracks.

## Not in Peace Mood

IN some places there is little mood for immediate peace. The prospect is exciting enough—as it was in Kwei-chow one morning when a local newspaper headlined Generalissimo's announcement—but in communities reduced to a shambles by bombs and shells and mortars and in houses without fathers, sons and husbands there is a blind hatred.

In Kalgan, where the Communist scorched earth policy rendered more than 50 factories and industries and communication facilities impotent and useless, more than a score of Catholic Fathers, industrial, educational and social workers, and other "representative" citizens, including a 10-year-old schoolboy, submitted violence against the "iron rule" of the Communists, which was a catalogue of horrors and atrocities.

One man told me his father and grandfather were stoned and beaten before being strung up on a rope to die.

A father appealed to Gen Fu Tsiang, Commander-in-Chief of the Tsinchi War Zone, to "rescue" his son and daughter taken away by the Communists.

Lee Chi, top-grade primary school student, groused: "The Communists did not teach us common knowledge subjects—like geography and mathematics—but Marxism."

## Priest Killed

A BELGIAN Father, Francis LeGrand, who was gaoled by the Communists, described how they killed a priest, imprisoned a bishop and ransacked an orphanage of 150 children.

Gen Fu, whose troops shattered the Communist defence system in North China, raised the siege of Tatung and eliminated a 150-mile foot-log with the capture of Kalgan without one American weapon or piece of equipment.

This ruddy checked 53-year-old commander, whom the Communist armies have come most to fear, soundly warned: "The future of the Chinese Communists depends on their political policy, not on their military strength. If they depend on their military strength their defeat will be inevitable, and their political policy will fail. If they change their political policy they may have some place in the future of China."

Gen Fu said that if the Communists rejected the peace offer they would be "betrayers of the people."

He repeated the proposal he made to Mao Tse-tung, Chairman of the Chinese Communist Party: "If the Communists come over and accept the peace I will resign immediately. I am not fighting for personal interests, but for the peace and unity of the country."

## Doele Prisoners

I SAW several hundred Communist troops taken prisoner when Nationalist cavalry stormed into Kalgan. From 13-year-old Yung Lien-shan, who was playing with several thousand dollars of useless Mongolian puppet currency to Eighth Route Army platoon commander Lei Hsing, these soldiers were docile, model prisoners, all content to stay on in this unique POW cage, where each of them got a couple of meals and C\$200 a day. None of the 400 who looted about chatting or smoking under the supervision of only three guards possessed membership of the Communist Party.

The Kalgan municipal prison, incidentally, is the simplest gaol in China. And its narrow, long-spanned corridor and drear cells were once crowded with more than 1,000 murderers, bandits, political prisoners and petty thieves. A general amnesty was declared when Government forces entered the city.

Lieut. Gen Chu Chi-chun, defender of Tatung and commander of the 43rd Army, who can look out on a horizon of rubble from the

scorched ramparts of the town that withstood a 45-day siege, expressed much the same view as General Fu.

**Orgy of Destruction**  
"THE orgy of destruction and killing that trails a Communist advance has caused the people to hate them," said General Chu. "Nobody who upholds justice can forgive the Communists for their terrible destruction."

This tough, bespectacled, operating commander, with 10,000 men placed more than a mile from 100,000 Communist troops, said: "I hope you will tell the world what you have seen, so that we may get international help and support to apply sanctions against future actions of the Communists."

Tatung came through the ordeal bravely. Although civilians died from explosives and gas shells (Gen Chu said the Reds obtained the latter in Kalgan, where dumps were left behind by the Japanese), and although the shooes had nothing to sell, the city was only gently wounded compared with outposts villages and strategic towns like Shaling, which was badly damaged; Pelyen-juo temple, where 500-year-old earthen Buddhas tumbled under the weight of Communist fire; Yen-pingchung coal mine, which a punter fleet could hardly have crippled more effectively.

Yen-pingchung mine, in a fold of forbidding mountains ridden with Nationalist troops clearing out Communist snipers and rear-guards. Small mines were still planted round the place which I visited less than 48 hours after it was recovered from the Communists, who lost 70 dead in the last skirmish for possession.

**Communist Slogans**  
COMMUNIST slogans such as "Long live Mao Tse-tung" and "Down with American reactionaries who help extend the civil war" were still plastered on the walls.

Some machinery had been taken away but hundreds of tons of coal lay strewn about.

A thousand tons of coal daily was drawn from the bowels of North Shansi through the Yen-pingchung mines. There are more than 3,000 workers. To-day, some 300 odd workers daily slew 150 tons from a vein 500 feet below the surface of the earth.

The destructive ability of the Communists in this sector is especially impressive. A big power plant—the Japanese built it as the biggest of its type in North China—near Pingwang village is only a skeleton from the outside. Inside it is a shambles of twisted rusting steel and iron.

I met a couple of Communist prisoners taken in this mine. Mao Tien-ho, with a voice that I not yet broken, said he was 17. He took about ten, certainly not more than 13.

**Economic Ruin**  
MANY people in Tsinning, from the garrison commander, Maj-Gen Chun Chu-lin, and the President of the Chamber of Commerce, Shih Wei-shan, to a school teacher, Li Yun-chin, believe that the Communists in their eight-month occupation have as much—if not more—responsibility for the social chaos, economic ruin and general suffering of the town as the Japanese during their eight-year tenancy.

Tearful men accost strangers in Tsinning's muddy main street to tell, between sobs, how the Communists took away their sons and daughters or destroyed their businesses or smashed up their homes.

One man pointed to his ankle, which he said was bayoneted by a Communist soldier.

## Opium Smoking

TSINNING will take a long time to forget the effects and influences of the Japanese and Communist occupation. The Japanese tried to narcotise most of the town's 85,000 inhabitants. The Government is now trying to cure some 20,000 opium smokers of the habit. Imprisonment is the last resort.

During the occupation of Tsinning the Communists did C\$51,700 million worth of damage to property, according to an official computation. Tsinning, like dozens of other places, is a casualty of this warring war between Communists and Nationalists. After seeing at first-hand what the war is costing in terms of human suffering, social chaos and economic paralysis, there is one inevitable conclusion—nobody is winning.

There is fierce hatred, spontaneous and incalculable. Hundreds of thousands, probably millions, are unaware what it is all about. They are doing most of the suffering, are far away from the battle front, and are bewildered if state councils and state assemblies are used to explain away the causes of the fighting.

More Emphasis To  
Be Laid On  
Imports In U.S.

New York, Nov. 13.

The Under-Secretary of State for Economic Affairs, Mr William L. Clayton, told the National Foreign Trade Council Convention to-day that United States foreign trade would probably shift the emphasis from exports to imports in the near future.

Mr Clayton gave two principal reasons: 1. Because the United States had shifted from a debtor to a creditor nation; 2. Because of depletion of United States natural resources and the wants of a growing and prosperous population.

He said: "No nation in modern times can long expect to enjoy a rising standard of living without increased foreign trade."

"The objectives of the foreign economic policy of the United States Government is to lay the foundation for peace by expansion of world economy—that is, by increase in production, distribution and consumption of goods throughout the world to the end that people everywhere may have more to eat, more to wear and better homes in which to live."

"The test is basic. It does not mean free trade. It means non-discriminatory trade."

Mr Clayton said two general categories existed of measures to effect that policy. "The first relates to financial assistance to countries faced with problems of relief, reconstruction and development. Since the end of the war, the United States has made available grants for emergency relief and rehabilitation abroad of about US\$2,000,000,000. In addition, the United States made available credits of about \$17,000,000,000."

**Reduction of Barriers**  
"The second measure, designed to promote achievement of our objectives, relates to elimination of discrimination and reduction of tariffs and other barriers which restrict world trade and limit production of goods."

"The purpose of our attack on excessive barriers is to bring about a rising standard of living for our people and for all peoples. Although this alone cannot guarantee peace and the realisation of higher living standards everywhere, it will create a climate conducive to preservation of the peace of the world."

Mr Clayton blamed tariffs for the difficulty of foreign borrowers to repay American loans after the last war. He said: "This time we know better than to raise tariffs. On the contrary, we propose to make reciprocal selective reductions in tariffs and clear the way of other impediments to international exchange of goods in order that our debtors may have the opportunity to repay us and may continue to buy our supplies, and in order that our standard of living and theirs may be raised, not lowered."

Mr Clayton said critics failed to consider changes in domestic economy in the past decade when they predicted that United States imports in payment of United States loans would lead to depression.

**More Goods Needed**  
He explained: "With the substantial increase in population, accompanied by expansion in domestic economy, we need more foreign goods of all kinds. Much larger imports of raw materials are required to feed our greatly expanded facilities for the manufacture of producer and capital goods. Our productive facilities in the consumer goods field has shown comparatively little increase in the past decade, hence our need to import larger quantities of such goods."

"It will require less than US\$1,000,000,000 a year for 35 years completely to recover all foreign credits made available by our government since the end of the war, including our contributions to the International Monetary Fund. After a few years, this sum should be provided by the annual expenditures of American tourists alone."

"Due to serious depletion of our natural resources during the war, we must now import many metals and minerals which before the war we even sometimes exported, such as copper, lead and zinc. We must annually import 150 to 200 million dollars worth of copper alone. Indeed, to-day we need to import practically all important metals and minerals except coal. Who knows how long we can go without importing oil?"

"Because of our dependence upon imports of strategic metals and minerals, what happens to American-owned reserves of such materials abroad is a matter of national concern. The rights of all legitimate enterprises established by United States nationals abroad are of concern to the government. They were dealt with in the transit of friendship, in commerce and navigation, similar to the treaty which we signed with China last week. We are actively at work on a major programme, negotiating treaties of this character with many governments. These instruments determine the basic treaty rights of American nationals, corporations and individuals in foreign countries. In most respects they are completely mutual, assuring the other country of the same rights as those obtained by the United States."—United Press.

## FLOOD IN CEBU

Manila, Nov. 14.  
Thousands of inhabitants in Cebu are homeless as a result of the flood which followed a typhoon after passing across the Visayas on Tuesday. Public works are heavily damaged but there are no casualties.—United Press.

CENTRAL  
THEATRE

SHOWING TO-DAY AT 2.30, 5.15, 7.15 &amp; 9.15 P.M.

**The Screen's Top Technicolor Musical Extravaganza!**

A fabulous thrill of golden entertainment... Gay singing and dancing; warm romance and lusty drama—laughs and thrills and roaring fun in the good old Gold Rush Days!

INTERNATIONAL PICTURES, INC.

**RANDOLPH SCOTT GYPSY ROSE LEE DINAH SHORE BOB BURNS**

**Belle of the Yukon**

Produced and Directed by **WILLIAM A. SEITER** with **CHARLES WINNINGER** WILLIAM MARSHALL • GUINN "BIG BOY" WILLIAMS • ROBERT ARMSTRONG FLORENCE RATES

## LEE THEATRE

SHOWING TO-DAY AT 2.30, 5.15, 7.20 &amp; 9.30 P.M.

ALEXANDER KNOX in

**THANK HEAVEN YOUR DAUGHTER WASN'T THERE!**

THE MOST PROPHECIC PICTURE OF OUR TIME!

**NONE SHALL ESCAPE**

A moving drama of Nazi brutality—and the justice an outraged world will demand!

with Marsha Hunt • Alexander Knox • Henry Travers • Erik Rolf

A COLUMBIA PICTURE

## GATHAY GRAND OPENING TO-DAY

At 2.30, 5.15, 7.15 &amp; 9.15 p.m.

WANT TO LEARN HOW TO DANCE... WITH JOY? WANT TO LEARN HOW TO HOP... WITH GLEE?

TAKE A LESSON FROM Stan LAUREL &amp; Oliver HARDY in

## "THE DANCING MASTER"

A 20th Century-Fox Picture.

HAGGIS FOR MISTAKEN BOMBS

London, Nov. 14.  
Threats of Stern Gang's terrorism echoed through the corridors of the Board of Trade which this morning received, by registered post, three heavy spherical packages, each with a projection resembling a fuse.

Orders were immediately passed for all personnel to clear the receiving office. A volunteer listened for the packages' ticking—No tick.

The packages were carefully unwrapped, disclosing unfamiliar objects which a Scottish official immediately identified as "Haggis"—United Press.

COLLABORATOR GAOLED

Nanking, Nov. 14.  
Found guilty of working as intelligence agents for the Japanese during the occupation, Chang Pao-hua and Liu Wen-yuan were sentenced to 15 years to-day.

Another collaborator, Chung Tso-sheng, who served in the puppet Kuomintang Headquarters in Nanking during the war, was sentenced to two and half years.—Central News.

**NOTICE**  
**BUILDING FOR SALE.**  
The undersigned is prepared to receive on behalf of the Owners Tenders for the purchase of No. 10 Ico House Street, Sec. A of M. L. 2A.

Permits to inspect the building may be obtained from the undersigned during office hours.

Tenders should be addressed to the undersigned at their offices in a sealed cover endorsed "Tender for Purchase of No. 10 Ico House Street" and should be delivered not later than twelve noon on the 23rd November next.

The highest or any Tender will not necessarily be accepted.

Dated the 25th October, 1946.

**JOHNSON, STOKES & MASTER.**  
Hongkong & Shanghai Bank Bldg., 4th Floor, Hong Kong.



